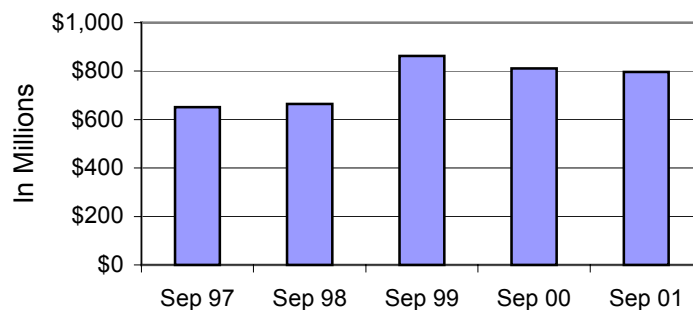


September 2001 Highlights

If the events of 9/11 or the decline in the national economy had an effect on New Jersey's construction industry, it was hard to discern from September building permits. The estimated cost of authorized work totaled \$796.7 million. Residential activity accounted for nearly half of this amount (\$393.4 million). Nonresidential construction was \$404.2 million; 524 municipalities reported.

Compared to last month, the amount of work declined by 8.7 percent. Compared to the past eight months, September's activity was one of the lowest, exceeding only February's. Construction work, however, is seasonal and usually wanes in the fall compared to the spring and summer months. The amount of work this September was not significantly lower than the amount reported this time in past years.

Estimated Cost of Construction Authorized by
Building Permits



New schools or additions and renovations to existing ones accounted for many of the big projects in September. South Brunswick Township in Middlesex County led all municipalities with \$25.8 million of work. A \$17.2-million addition to the existing high school and a \$5.4-million office addition for a home appliance manufacturer accounted for most of this activity. Just over half of the \$22.2 million in Dover Township in Ocean County was for a high school addition. The City of Newark in Essex County had \$20.8 million in construction, most of which was the result of a new five-story office building (\$9.3 million), and several alterations and tenant fit ups to existing offices that cost nearly \$3.5 million. Office and school construction also accounted for much of the \$18.9 million of work in Bridgewater Township, Somerset County. Of the \$15.3 million in Middletown Township, Monmouth County, \$11.6 million was for a new office and classroom complex for the community college. Nearly all of the \$15 million in the City of Hoboken, Hudson County was for the construction of a new office building.

New Houses

New Jersey localities authorized 2,254 new houses in September. This was 15.2 percent less than last month. Still, the housing market has been resilient throughout the year. Between January and September, 25,419 new houses were authorized for construction. This was 1,067 less than the amount authorized this time last year, a decline of four percent.

New home prices increased by 3.3 percent compared to last quarter. The median sales price of the 5,497 new houses that began enrollment in a new home warranty program in the third quarter of 2001 was \$256,990. Somerset County had the most expensive new houses.

Period	Number of New Houses	Median Sales Price	Percent Change in Sales Price
1996	20,903	\$183,300	
1997	21,640	\$190,000	3.7%
1998	23,884	\$209,980	10.5%
1999	24,479	\$224,496	6.9%
2000	25,058	\$231,728	3.2%
First Quarter 2001	4,262	242,900	3.0%
Second Quarter 2001	5,039	248,750	2.4%
Third Quarter 2001	5,497	256,990	3.3%
Source: N.J. Department of Community Affairs, 8/8/01			

